CONDITIONS OF SALE AND MANUFACTURING PRACTICES

- 1. QUOTATIONS: Stenographical and clerical errors subject to corrections. Until an order is accepted by Seller, quoted prices are subject to change without notice. All quotations unless otherwise stated are for immediate acceptance. Unless called for by customer's specifications, prices quoted do not include butting. All orders and contracts subject to acceptance at Seller's home office.
- 2. CREDIT: Accounts will be opened only with firms or individuals on approved credit. The Seller reserves the privilege of declining to make deliveries except for cash whenever, for any reason, doubt as to the Buyer's responsibility develops.
- 3. CANCELLATION: Orders may be cancelled or deliveries deferred only upon the condition that the Buyer assume immediate liability and make payment to the Seller for all work complete at the unit price; work in process on the basis of the percentage of completion thereof times the order unit price; raw material, unauthorized tooling, engineering and other cancellation charges incurred on the basis of cost to the Seller plus handling and overhead charges. All cancellation charges to be determined at the time of cancellation or deferment.
- **4. QUANTITIES:** All quotations are based on Buyer accepting overrun or under-run on each individual item not exceeding 10% of quantities ordered. Where closer control of quantity is required special arrangements must be made.
- 5. DELIVERIES: Every effort will be made to fill orders within the time promised. The Seller does not assume responsibility for any damages growing out of or owing to any delays which are beyond his control. Unless specifically stated to the contrary, quotations are made and orders are accepted for delivery as fast as manufactured by partial shipment packed in bulk
- 6. SAMPLES: If requested, the Seller will submit samples for approval when commencing operations upon any order, but does so with the understanding that his machines are to be run immediately after they are set correctly to Buyer's accepted specifications, and Seller will assume responsibility for having the product in conformity with such specifications during the period necessary in which to obtain Buyer's approval. Any change in specifications can be made only at Buyer's direction and expense. If changes are to be made Seller should be notified at once by telephone or wire followed by written confirmation.
- 7. CLAIMS: If the Buyer claims delivery of material not as ordered he must notify Seller within ten (10) days of receipt of shipment. If such claim is sustained and material furnished is not as ordered, the Seller shall repair, replace, credit, or complete the order within the limitations of No.4 QUANTITIES: Charges for repairs or inspection of parts by the Buyer without prior authorization by the Seller are not a part of the contract and, therefore, cannot be honored. Under no circumstances will the Seller be liable for damages or any claims for expense involved in using his product. Seller will not allow claims for defective goods on those parts further processed by the Buyer and resulting in change of either dimensions or characteristics from parts as ordered. Claims for shortage must be made within the (10) days from receipt of the goods, and in every case the weights found in the shipment, including tare, must be given and the Seller advised the method used in arriving at a count of the parts.
- 8. TOLERANCES: All dimensions must be limited by a specified tolerance. When not specified it is understood that commercial tolerances apply: viz.,

Decimal All diameters plus or minus .003"
Dimensions Lengths plus or minus .010"
Fractional Diameters plus or minus .005"
Dimensions Lengths plus or minus 1/64"
Angles Plus or minus 2 degrees

Intersecting Surfaces:

Fillets .020" Max.

Corners .020" Max. Radius or chamfer

Drilled hole tolerances will be open unless otherwise specified by buyer.

Samples to be considered as fractional dimensions, unless otherwise specified and dimensions of samples will be considered "mean" dimensions.

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When Buyer purchases pursuant to his own specifications, the Seller will not be responsible for the design and fitting of parts; the conforming of the Seller's product to the specified tolerances is sufficient evidence as to the correctness of the product.

It is definitely understood that concentricity is not a dimension and when specified must be specified separately from dimension and will be subject in inspection only at the point where the relations is shown on the blueprint. When concentricity limitation is specified it is understood that it means the actual eccentricity allowable between the center lines of the dimensions, which

is one half of a dial reading registration. When concentricity is not specified the work will be manufactured in the economical manner without particular regard to concentricity, and quotations are made and orders accepted on this basis.

9. THREADS: Unless otherwise specified, threads will be of the American National form or the Unified form and will be made to Class 2 Fit tolerances. When the Buyer specifies threads other than sizes in the Coarse Thread Series or Fine Thread Series or in other classes of tolerances or limits, gages are to be furnished by the Buyer or charged for by the Seller.

EXTERNAL THREADS: Where threading to the shoulder is specified, if a relief or undercut of sufficient width is not provided for, it will be understood that the last full thread will not be cut closer to the shoulder than a distance of two and one half threads and in the case of fine pitches, never closer than 1/16".

INTERNAL THREADS: Unless dimensional limits for minor diameter of tapped holes are specified, the percent of full depth thread will be in accordance with regularly accepted general practice. Unless otherwise specified, blind tapped holes may not have a full thread closer than five threads from the bottom and in case of fine pitches, not closer than 5/32".

- 10. GAGES: Where tolerances are closer than commercial limits defined under No. 8 TOLERANCES or when dimensions cannot be readily gaged with micrometers, such gages may be furnished by Buyer or supplied by Seller at an extra charge. In the case of threads the inspection gages shall conform to the limits specified by the latest National Bureau of Standards Handbook "SCREW THREAD STANDARDS FOR FEDERAL SERVICES" for inspection gages.
- 11. INSPECTION: Inspection by the Seller is made on a percentage basis only. Our inspection procedures are designed to provide a AQL of 2.5%. If for any reason it is necessary to provide an AQL tighter than this arrangements for this must be made and the quotation must so specify. If 100% inspection is required it is at Buyer's expense, and only such parts proved not as ordered by Buyer's inspection may be returned with a claim for repair, credit or replacement, as covered by No. 7 CLAIMS and No. 4 QUANTITIES.
- 12. DIES, TOOLS, ETC.: Charges for dies, tools, fixtures, gages, etc., do no convey ownership or the right to remove them from the Seller's factory. Seller is not responsible for gages, samples, drawings, models, etc., furnished by customer uncalled for within 30 days after final shipment of an order.
- 13. SHIPMENT: In ordering, the Buyer should state explicitly the method of shipment preferred and, in the absence of shipping directions, the Seller will use discretion, forwarding by express or parcel post when packages are small and therefore liable to be lost in transit by freight. Parcel post shipments will be insured at Buyer's expense unless otherwise specified.
- 14. BUYER'S MATERIAL: Quotation covering machining of Buyer's material are made subject to delivery of the amount of material as specified by the Seller in 10 to 12 ft. lengths, F.O.B. Seller's plant, and are subject to change if material furnished by the Buyer is defective or will not machine with reasonable wear on tools at the speed and feed estimated. Chemical and physical specifications are the sole responsibility of Buyer, and parts manufactured from Buyer's material which otherwise conform to blueprint specifications shall be accepted by Buyer. The Seller does not guarantee to deliver more than 90% of the quantity ordered, in accordance with No. 4 QUALITIES.
- 15. PATENTS: It is not the intention of the Seller to manufacture any product which is an infringement of a patented article. Parts are made by the Seller strictly to dimensional specifications furnished by the Buyer. It is agreed that the Buyer will defend and save harmless the Seller from any and all expense involved in any claims for damages from infringements of letters patent by the use or sale of parts made by the Seller, either as such or as parts or units of complete entities. Buyer does not assume responsibility for parts made on equipment violating licenses.
- 16. TAXES: Taxes imposed by any present or future law of federal, state, county, or municipal authority on the manufacture, sale or use of the articles purchased hereunder and required to be paid by the Seller shall be added to the amount to be paid by the Buyer. Buyer shall furnish evidence of exemption if applicable and if the Buyer fails to advise the Seller of the taxes which would apply to the Seller and taxes are later assessed against the Seller because of such failure, the Buyer shall indemnify the Seller in the amount of the tax required to be paid by the Seller.
- 17. WARRANTY: Seller warrants only that the parts furnished by it will conform to drawings and specifications furnished by the Buyer. To the extent that parts furnished hereunder are to Buyers specifications and then used or combined by Buyer with other apparatus or things not furnished hereunder, the Buyer agrees to indemnify and save harmless the Seller from all claims resulting from the use or incorporation of said parts in the Buyer's product.